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Farm Broadcasters Letter



CURRENT SERVICE RECORDS

Letter No. 2253

March 13, 1986

\$750 MILLION MORE FOR FARMERS HOME

President Reagan has authorized the U.S. Department of Agriculture to make \$750 million in additional funding available immediately through the Farmers Home Administration for farm operating loans. According to Secretary Richard Lyng, "These funds will come from accounts where demand is considerably less than anticipated and should assure satisfactory levels of operating loans for all eligible farm borrowers. This makes a total of almost \$4 billion available for operating loans this year through FmHA alone."

WORLD CROP PROD. HIGHLIGHTS

The world production of wheat for 1985/86 is estimated by the U.S. Department of Agriculture at 503.2 million tons, down 200 thousand tons or less than 1 pct. from last month and down 2 pct. from last year's record harvest. World production for 1985/86 for coarse grains is estimated at a record 842.7 million tons, down 1.2 million or less than 1 pct. from last month but up 4 pct. from last year. The world production of oilseeds for 1985/86 is estimated at a record 194.4 million tons, up 200 thousand or less than 1 pct. from last month, and 3 pct. from last year. U.S. production is unchanged at 65.5 million tons, up 11 pct. from last year.

WORLD GRAIN SITUATION & OUTLOOK

The world grain situation continues to be dominated by expectations for lower world grain prices, largely due to the new, reduced U.S. loan rates for wheat, coarse grains and rice, and the outlook for expected 1986 crop supplies. For grain exporting countries this has meant an increased emphasis on quick sales and shipments. For importers it has meant the continued deferment of grain purchases, further hand-to-mouth buying, and in some cases, foregone purchases. According to the U.S. Department of Agriculture, these activities have contributed to the current weakness in U.S. grain exports.

U.S. TRADE PROSPECTS FOR COARSE GRAIN

The U.S. 1985/86 (Oct.-Sept.) coarse grain export forecast by the U.S. Department of Agriculture fell more than 3 million tons this month, to 46 million tons. A 2.7 million ton decline in U.S. corn exports was the primary reason, but sorghum exports were also forecast 700,000 tons lower. A lagging pace of coarse grain purchases, a restrictive import policy in Mexico, and record availabilities of Argentine corn, all contributed to the sharply lower corn export prospects. U.S. corn sales as of early March totaled 24.6 million tons, less than 50 pct. of 1984/85 exports.

SOYBEAN PRICES STRENGTHEN

U.S. farm prices for soybeans have shown some strengthening in recent months, according to the U.S. Department of Agriculture. After hitting a harvest low of \$4.85 a bushel, prices climbed to \$5.16 in January. Stronger prices are probably a result of the government's loan program. As of Jan. 1, stocks were about 1.8 billion bushels. Of the total, about 545 million bushels were under loan or owned by the Commodity Credit Corporation. By Feb. 12, loan and CCC stocks had grown to around 610 million bushels.

DISAPPEARING SOYBEANS

With farm prices for U.S. soybeans between \$5.05 and \$5.35 for the season, a total disappearance of 1.9 billion bushels is expected this season, according to the U.S. Department of Agriculture. This would leave ending stocks at 500 million bushels, or about 110 million less than the quantity under loan or owned by the CCC as of mid-Feb. To achieve the current forecast for total use, a substantial amount of soybeans must be drawn from loan or CCC stocks, either by redemption of regular loan, the use of soybeans to satisfy PIK entitlements under the wheat and feed grain programs, or a combination of the two.

U.S. WHEAT TRADE PROSPECTS

Sharply lagging wheat sales and shipments, as well as continuing market displacement by wheat exports by competitors resulted in a 700,000 ton decline in the 1985/86 July-June export forecast for the United States, down this month to 26 million tons. According to the U.S. Department of Agriculture, the current wheat export forecast represents the lowest level of U.S. wheat trade in nearly 15 years and reflects lagging exports, down nearly 50 pct. from this time last year. The 1985/86 forecast of 26 million tons is more than 30 pct. below 1984/85 exports and twice the decline in world wheat trade, which has dropped approximately 15 pct.

USSR GRAIN IMPORTS REDUCED

The U.S. Department of Agriculture's estimate of USSR grain imports for the current marketing year that ends in June was reduced by 1 million tons to 34 million. The coarse grain imports previously estimated at 17 million tons were reduced by 2 million while the estimate of wheat imports was increased by a million tons to 18 million. Miscellaneous grains, rice and pulses account for the balance.

SOVIET WHEAT PURCHASES

The Soviet wheat buying worldwide has exceeded expectations, according to the U.S. Department of Agriculture. Total commitments from all origins are currently estimated at nearly 17 million tons. Canada and the EC have been the largest sellers to date, each with an estimated 5 million tons. Australia's wheat sales to the USSR will be around 3 million tons. As of March 3, USSR grain purchases from the U.S. for delivery in the third year of the Grain Agreement totaled 6.3 million tons, including 153,000 tons of wheat and over 6.1 million tons of corn.

USSR COARSE GRAIN BUYING LAGS

The coarse grain buying activity of the USSR continues to lag, according to the U.S. Department of Agriculture. Purchases as of early March from all origins are estimated at only about 10 million tons. The USSR is close to cleaning up outstanding purchases of U.S. corn, with only 129,000 tons still to be shipped as of March 3. The prospects for record large exportable supplies of Argentine corn, and the recent price weakness in the major world coarse grain markets, may be encouraging the Soviet to at least temporarily delay further coarse grain purchases. Another factor may be USSR's import of feed wheat from the EC and Canada.

FROM OUR
TELEVISION
SERVICE

MEDICATED FEED PROGRAM...Dr. Gerald Guest, Food and Drug Administration, focuses on new procedures under the "Second Generation Medicated Feed Program," a program designed to regulate drugs in animal feed. DeBoria Janifer interviews. (141)

1986 RICE PROGRAM...USDA economist Janet Liveszey describes the current provisions for the 1986 rice program and what farmers need to do to be eligible for this program. Vic Powell interviews. (142)

CONSERVATION TILLAGE...USDA economist Richard Magleby comments on the reasons behind the surge in the use of conservation tillage practices in the U.S. and whether or not this trend will continue in the future. DeBoria Janifer interviews. (143)

ARS RESEARCH REPORTS...Scientists with the U.S. Department of Agriculture's Agricultural Research Service are developing new crop breeding techniques that produce early maturing nectarines, and produce faster growing varieties of crops. Will Pemble reports. (144)

HANDLING STRESS IN LIVESTOCK...Temple Grandin, University of Illinois, describes how reducing handling stress will improve weight gain, reproductive performance and disease resistance. Gary Beaumont interviews. (145)



FROM OUR RADIO
SERVICE

AGRICULTURE USA #1502...(Weekly 13½ min documentary) Americans are drinking more soft drinks and less milk and coffee. George Holmes discusses this shift in the drinking habits of Americans with Agriculture Department economist Karen Bunch.

AGRITAPE/FARM PROGRAM REPORT #1491...(Weekly reel of news features) USDA news highlights; Farm bill changes; 1986 commodity programs; Commodity certificates; World grain situation; U.S. grain outlook.

CONSUMER TIME #984...(Weekly reel of 2½-3 min features) Basic gardening principles; Gone are the bare spots; Prevent forest fires--sometimes; Household danger zones; Lighting your indoor plants.

USDA RADIO NEWS SERVICE...Mon, Mar. 17, Agricultural outlook; Tues, Mar. 18, Tobacco, Weekly crop and weather; Wed, Mar. 19, Dairy; Thurs, Mar. 20, Catfish, World Agriculture; Fri, Mar. 21, Vegetables, Hogs and pigs, Livestock slaughter. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. EST each working day.

OFF MIKE

News clippings seemed the order of the week. We received two from W. Judd Wyatt, who is now retired after 35 years of directing advertising for MFA Insurance and editing an almanac and touting the wisdom of a black cat. It was only natural that one of the clips showed Judd standing before some of his Missouri Tiger booster awards. The other clip was Don Muhm's column from the Des Moines Register, and it was all about Keith Kirkpatrick (WHO, Des Moines, IA) including a pic of Keith conducting an interview. Muhm's article centered around the fact that Keith celebrated his 35th anniversary with WHO recently and more. We add our congratulations! ... Speaking of 35 years, we received a report from Rich Hawkins and crew that their station KRVN, Lexington, NE, celebrates 35 years of service to farmers and ranchers in Nebraska ... Nice letter from Layne Beaty (USDA Radio-TV Chief, Retired) who, with wife Virginia has been spending the past many weeks in California. Layne reported they were scheduled to leave for home in mid-March, and he had been keeping busy visiting friends who stopped by and tape recording interviews with old broadcasters for the Broadcast Pioneers Library Oral History Project in Washington, D.C. ... Our congratulations to Hugh Robinson (KKOW, Pittsburg, KS). He received a Distinguished Service award from the Girard Chapter of FFA. He also reports he's going to China in May with the Kansas Board of Agriculture. More on that later ... Oscar Day (Radio-TV, Univ of Arizona) will be leaving the University the end of June. He's interested in farm broadcasting work. If you'd like to talk to him, his office number is 602-621-3822. His home number is 602-886-1720 ... Holly Downing will be graduating in ag communications from Ohio State Univ this June and will be available for a farm broadcaster position. Her number at college is 614-899-1322 ... Jerry Reed reports he's changed the name of his network to the Northeast Farm Report. It's headquartered in Utica, NY.


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 Radio-Television Division

Farm Broadcasters Letter
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